

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 8067**

**BILL NUMBER:** SB 357

**DATE PREPARED:** Feb 23, 2001

**BILL AMENDED:** Feb 22, 2001

**SUBJECT:** UCC Financing Statements.

**FISCAL ANALYST:** John Parkey

**PHONE NUMBER:** 232-9854

**FUNDS AFFECTED:**      **GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** No Fiscal Impact

**Summary of Legislation:** (Amended) This bill provides that a security interest, instead of an unperfected security interest, is subordinate to the rights of certain other persons with priority and to certain lien creditors. It eliminates the requirement that the debtor authenticate financing statements and amendments to financing statements. The bill requires a secured party to furnish a copy of the financing statement to the debtor not later than 30 days after the filing of the financing statement and provides that the burden of establishing compliance with the requirement to furnish a copy of the financing statement falls on the secured party.

This bill also establishes remedies for the failure of a secured party to furnish a copy of the financing statement to a debtor. It further allows a debtor to recover an additional \$500 from a secured party that does not furnish a copy of the financing statement to a debtor. The bill also makes certain changes to conform to uniform law and makes technical corrections.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**